

## HOUSE COMMITTEE AGAINST A FREE CANAL

Chairman Stevens Says It Will Cost When Fortified \$100,000,000.

THEN \$6,000,000 A YEAR

And He Sees No Reason Why This Vast Expenditure Should Be Dedicated to the World.

WASHINGTON, Feb. 3.—The first affirmative statement as to the attitude of the House Committee on Commerce with respect to the legislation that must be enacted this session affecting Panama Canal tolls and the operation of the canal was made today by Representative Stevens of Minnesota, a Republican member of the committee. Public hearings before the committee have just been concluded. It appears that the committee is against free passage; American ships or any discrimination against the ships of foreign nations. The committee is therefore opposed to the Administration's suggestion that tolls on American ships be reduced.

The conclusion of opinion is, says Mr. Stevens, "that the present form of government for the Canal Zone should be continued. There should be but one responsible head who should have charge of the operation of the canal and the government of the territory, which would practically be demanded of settlers."

Mr. Stevens says frankly that the most severe contest in connection with canal legislation will be over free tolls for the transoceanic trade.

"It has been urged strongly," he says, "that free tolls will uplift the merchant marine of the United States, afford supplies and vessels for the military and naval departments, cheapen freights, develop resources and help the consumers all over the country. Opposed to this view primarily must be the construction of treaties between the United States and Great Britain and other nations, in which it is expressly agreed that the vessels of consumers and war of all nations should receive terms of entire equality without discrimination as to conditions or charges for traffic."

"During the last century, in more than forty-eight treaties similar language has invariably included the United States coastwise trade and vessels, and when it has been intended to exempt the coastwise trade words to that effect have invariably been employed. More than this, in the consideration and ratification of every canal treaty such a clause was expressly rejected. So if coastwise ships secure free tolls the other nations would have a right to claim exemption for their ships also under such treaties and thus prevent the collection of any tolls for use of the great project. Many have advocated that a free canal should be the policy of the United States."

Mr. Stevens asserts that the canal when completed and fortified will have cost about \$100,000,000 that the cost of operation, maintenance, regulation and protection, including interest on investment, will be about \$8,000,000 a year and that the maintenance of an adequate military and naval defensive force may in the future cost indirectly \$100,000,000.

No one seriously asserts, he says, "that this vast annual expenditure from our Treasury should be demanded by the world. The world of commerce does not need such donations. On the contrary, every nation that wants to do business with us should be compelled to pay this great canal sum, which is incurred at the expense of operating and maintaining it and ultimately in paying for it. This would not require rates of tolls which would be at all burdensome to traffic, drive away any commerce from the canal or prevent any development of commerce in the United States. The tolls would be about 10 to 15 cents per ton, or two or three cents per ton, railroad measurement."

The canal, Mr. Stevens asserts, will reduce the average freight rates by water between the two coasts by 50 per cent or even more, and the tolls would be about 5 per cent of the freight rates and probably 10 per cent of the saving by the canal.

"Nobody has testified so far," he says, "that this slight sum would cause the construction of one single vessel. To the contrary, the tolls will be only one eighth of the shipping. This small sum could not reduce the price to the consumer on the east coast and certainly would not affect the market prices in the interior of the country. This small toll would be entirely absorbed by the vessel owners, the intermediate shippers, brokers and the long-haul carriers, and would not reach the consumer."

It became evident early in the testimony, Mr. Stevens says, that the real basis for the struggle for free tolls was the contest between the mercantile and industrial interests of the two coasts against each other. The Mississippi Valley for the rich trade of the mountainous and surrounding territory.

"We should open the canal as speedily as possible," says Mr. Stevens, "and operate it efficiently and fairly under methods and conditions certain to be honest and successful. We can then consider and develop these other projects rapidly and surely when the time comes, and in the course of time far greater fame will come to our nation and profit to our people by so doing."

### SEND ON THE ALIENISTS.

**Barberson Intimates He's Something of an Expert in That Line Himself.**

Mrs. Julia Ward Barberson of 41 West Sixty-ninth street engaged Dr. George S. Youngling of 155 West Twenty-fourth street yesterday to examine the mental condition of her son, Matthew L. Barberson, who was sentenced by Recorder George Medina of North Bergen, N. J., Friday night to thirty days in the Hudson county jail on a charge of stealing a loaf of bread from a boy in front of Michael Gordon's grocery store. Barberson, who is a Heldenberg graduate, spent a lonely day yesterday in a cell in the North Bergen jail.

### ISAAC ZACK HANGED HIMSELF.

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Jack Zack was told to look up the man on post. He found Policeman Naughton and they had just reached the house when Isaac's wife and sister ran screaming into the street. Upset, they found Isaac hanging in a room where Isaac Zack was.

Isaac's brother cut him down, but he was dead. He had recently been discharged from the Seton Hospital. He was dying of consumption.

### LINCOLN MEMORIAL.

**Commission Decides on Potomac Park as the Site of \$2,000,000 Structure.**

WASHINGTON, Feb. 3.—The Lincoln Memorial Commission met at the White House late yesterday afternoon and decided upon Potomac Park as the site of the beautiful \$2,000,000 structure which is to be erected in memory of the martyred President. The commission did not decide upon any design, but remained silent that had been submitted by Henry Bacon and John Russell Pope, both New York architects, to be altered and submitted again.

The principal opposition to the Potomac Park proposition and to a memorial dedicated entirely in Washington came from those who favored the construction of a great highway or boulevard leading from a memorial in Washington to the spot at Gettysburg where Lincoln delivered his immortal address. Through its extension this highway, it was contended, would rapidly develop into a transcontinental thoroughfare and become the nucleus of a national system of public roads.

Architect Bacon of New York has submitted a design for the Mall or Potomac Park site, and it is believed that the committee is inclined to favor his design.

"It looks now," remarked an official who let himself prophecy, "as it sometimes delude us to come in the next day or so. We have just about finished all this conferring."

The financial point which was bothering the city officers and the members of the commission before yesterday was put yesterday in the form of a question: "What interest rate will the Interborough expect on money in excess of its estimated outlay of \$7,000,000?"

This sum of \$7,000,000 is what the engineers figure the Interborough will have to spend in fulfilling its part of the coming contract with the city. It is made up, according to the estimate, of \$5,000,000 for construction to which the city provides a like sum, and \$2,000,000 for equipment.

"Now suppose that the Interborough has to spend more than \$2,000,000 for equipment or suppose it has to pay more than \$5,000,000 for construction work, what return can it get on the money?" was asked.

According to the terms of the proposal it is understood that the Interborough will ask for 8.75 percent interest on its old and new investments, amounting approximately to \$125,000,000, its present investment being about \$85,000,000. At this percentage the Interborough would receive 6 per cent for interest and sinking fund and 2.75 per cent by way of insuring its present earnings. If the new investment should exceed \$7,000,000 it would throw these figures quite out of balance in case the Interborough were to get 8.75 per cent by way of preferential payment. In other words, it would get much more than its present earnings which served as the basis for figuring the preferential.

It is understood that the city officers stand out for a flat 6 per cent rate, 1 per cent of which would provide a sinking fund. This position was anathema to J. County twice or three days ago and Mr. County went to the Interborough with it. The Interborough officers were to present the case to the bankers.

"One of the members of the firm of J. P. Morgan & Co., who has been active in Interborough financial matters, was asked right off whether he thought the city had been stated to be right," said Mr. Stanley.

"Not quite," said he. "These people live," said Mr. Stanley, "I and Mr. Fitch, are very interested in increasing."

In telling what the *Times* Magazine is, Mr. Fitch said that J. P. Morgan was the master of the mind by which it is shaped.

"He is not necessarily arrogant," said Mr. Stanley.

Upon the conclusion of Mr. Fitch's testimony Mr. Stanley announced that the committee would stand adjourned until February 7.

### SLANG IN BEEF TELEGRAMS.

We Look Like the Goat! Say One Identified at Packers' Trial.

ST. LOUIS, Feb. 3.—Telegrams from one agent of the National Packing Company to another in New England which tend to show that the affairs of the packers were known to each other were introduced in evidence in the United States court here today in the trial of the caned meat案.

The telegrams were admitted only after strenuous objections offered by the defense were overruled by the court and exceptions were made by the array of legal talent representing the so-called fast carriers.

The telegrams in question demonstrated that in order to get at the basis of the situation agents of the packers made use of slang as a terse means of implying an idea. V. H. Müncke, a department head of the National Packing Company of Chicago, wired Isidor Snyder, assistant manager at Boston Mass., as follows:

Can you July 15, 1911,  
say Presume you saw Lowell figures  
last week. We look like the goat there.  
V. H. M.

Today he identified this telegram and it went into the record as "Exhibit 7." The Government considers it one of its strongest cards. The Federal attorneys insist tone and import substantially the same, though the language used was a combination among the packers.

Another telegram was produced after the trial of the first wire was brought up. This message was not dated nor did the town from which it was sent appear upon its face. The message read:

Petitans. Going to Salem this P.M. I can't make out how we were so bad. Salem W. F. 75 we averaged \$1.50 on against 21 shippers showing minus 37 against 21 Must have lower cost. — Snyd.

Mr. Snyder identified this message as one he sent to Branch Manager Philip Lippe, who was in charge of the Lowell Mass. branch of the National Packing Company.

The literal translation of the technical terms in the message have not been brought out. However, the most interesting feature from a Federal viewpoint is the phrase "We must have lower cost."

Going back to the original of these messages, Mr. Snyder at once plunged into the affairs and finances of the red bacon which volume is one by which the Government puts much store. It is believed to contain the star chamber secrets of the packers. The witnesses had not gone into its mysterious depths when court adjourned until Monday.

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## WHAT INTEREST ON ANY SUBWAY EXCESS?

Point That Has Come Up in Renewed Negotiations With the Interborough.

### CITY VIEWS MAY PREVAIL

In Case Interborough Has to Spend More Than \$7,000,000, 6 Per Cent. May Be Allowed.

In the effort to clear away contingent future difficulties from the subway trouble as well as to provide for things that are sure to come in point, has dropped up which the city has passed on to the Interborough. This point is a matter of banking and was discussed last night as an issue surely enough, but scarcely one which need worry the negotiators.

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